

CALENDAR OF EVENTS

OAHU

January 10-16

PGA Tour: Sony Open in Hawaii

Famed pros compete for the \$864,000 victor's share of the overall \$4,800,000 purse at the Sony Open. The Waialae Country Club once again hosts the event.

808-742-7669

January 28-30

Champions Tour: Turtle Bay Championship

The first full field champions tour of the year is held at the Palmer Course at Turtle Bay Resort. Players compete for their share of an overall \$1,500,000 purse.

808-479-3548

KAUAI

January 15-29

Kauaiian Days 2005

Continuing the Island Wide Vision for Kauai dedicates itself to Aloha: It's Kauai's Spirit. One Island Many Peoples All Kauaians. Kauaiian Days 2005 is a year dedicated to He Inoa no Kaumualii, Kauai's King.

808-338-0111

HAWAII

January 18-23

Champions Tour: MasterCard Championship

The MasterCard Championship is a tournament of champions that features the Champions Tour's best players held at the signature course of Hualalai Resort Golf Club.

800-417-2770

MAUI

January 3-9

PGA Tour: Mercedes Championship

Held at The Plantation Course, this prestigious championship is the first official tournament of the PGA Tour.

808-669-2440

>>continued on page 3

Hawaii Named Best Destination

Travel Weekly, one of the largest and most influential trade publications for professionals in the travel industry, recently named Hawaii as the "Best Overall Destination" in the publication's second annual 2004 Readers Choice Awards. The much-coveted awards are given in recognition of the world's finest in resorts, hotels, cruise ships, rental car companies, airlines, theme parks and destinations. The awards competition, based on responses from more than 2,000 travel professionals throughout the U.S., also gave Maui the award of "Favorite Island," and recognized Pleasant Holidays as "Best Wholesaler to Hawaii."

The winners were announced at the Night of Celebration gala dinner held at the St. Regis Hotel in New York on December 14, 2004. Proceeds will again help support the efforts of the Nyumbani Village Project in Nairobi, Kenya and the Travelers Conservation Founda-

tion. Accepting the prestigious awards on behalf of Hawaii were Representative Jerry L. Chang, Chair of the House Committee on Tourism and Culture, Twenty-Third Legislature of the State of Hawaii and John J. Toner, HTA Chair.

"It's a great honor and pleasure to be recognized for excellence as a destination," noted Chang. "We place a great deal of emphasis on ensuring the quality

and uniqueness of the Hawaii visitor experience and it is rewarding to see that those efforts are acknowledged and valued by leading industry professionals."

"This is a wonderful award for Hawaii and Maui, but even more so, because it is coming from the travel agent community, which has always played a vital role in planning travel to the Islands," added Toner. "Having the agents' knowledgeable and passionate about Hawaii is an important part of our industry's ongoing strategy to keep the destination contemporary

and appealing in today's competitive marketplace. A very warm mahalo (thank you) to all of you."

Travel Weekly will feature all 2004 winners in their January 2005 edition. The publication is read by over 43,000 agents, supplier and tour operators throughout the country.



Accepting the awards were: John J. Toner, HTA; Rep. Jerry Chang, Committee on Tourism and Culture; Elizabeth Johnsen, HVCB; Donn Takahashi, Prince Resorts and Maui Visitors Bureau; and Tim Irwin, Pleasant Holidays.

Getting Ready for the 2005 Legislative Session

In preparation for the upcoming 2005 legislative session, the HTA has been meeting with representatives in government, industry and community sectors throughout the State since August. Additionally, meetings have been convened with other key groups including law enforcement agencies, the Hawaiian Cultural Advisory Council, the Natural Resources Advisory Group, and legislators in the Senate and House tourism and money committees. The purpose of these meetings was to hear from attendees their specific issues and concerns especially if they relate to legislative initiatives, as well as to discuss ways to increase collaboration with the HTA. Below is a brief summary of some of the major themes and comments brought up at these meetings pertaining to the legislative session and HTA's follow-up actions or positions:

Accommodations. The conversion of active hotels to timeshares and residential units will have impacts on Transient Accommodations Tax (TAT) revenues and the Tourism Special Fund, the type of visitor mix Hawaii will attract and the type of marketing that is done to attract visitors to Hawaii. Additionally, it was believed that some bed and breakfast operations (B&Bs) and vacation rentals may not be registered with the State and therefore not paying General Excise Tax (GET) or TAT.

To address this issue, HTA is working with the Research and Economic Analysis Division (READ) of the State Department of Business, Economic Development and Tourism (DBEDT) to conduct research on the following: 1) Number of vacation units not registered with the State or paying taxes; and 2) Number of units being converted to timeshares and or residential units, projections on future inventory levels, and the impact on TAT revenues and the Tourism Special Fund. When completed, the research will be shared with others such as the Legislature and the Counties for their use in developing appropriate plans, policies and programs.

Public Infrastructure and Natural Resources. Resources for public infrastructure and natural resources such as improvements to airports, harbors, roadways and parks are needed, as well as additional staffing to ensure that those assets are properly maintained. Many participants suggested the establishment of user fees at parks and harbors that would be dedicated to those specific resources. Additionally, some

participants expressed concerns about the possible impacts (e.g., alien species, water quality and community sentiment) related to the rapid growth of non-airline transportation services such as cruise ships and ferries.

During the upcoming session, HTA will advocate for more resources to both State and County agencies to improve public infrastructure and hire additional staffing.

Visitor Safety. The Law Enforcement Coalition will not be introducing any new legislation in 2005, but will focus on measures from last year that would strengthen laws related to sentencing and drug use. While most of these measures do not impact tourists directly, from a collateral standpoint, their enactment would make Hawaii a safer place to live and therefore, a safer place to visit.

During the 2005 session, the HTA will advocate through written testimony for more resources for visitor safety and security.

HTA Operations. Additionally, the HTA will support any measures that strengthen and improve HTA operations, including providing additional funding.

The 2005 Legislative Session will officially open on Wednesday, January 19, 2005. The HTA would like to acknowledge the following members who will be serving on the Senate and House Tourism Committees:

Senate Tourism Committee: Donna Mercado Kim, Chair; Clarence Nishihara, Vice Chair; Will Espero; Sam Slom; and Shan S. Tsutsui.

House Tourism & Culture Committee: Jerry L. Chang, Chair; Jon Riki Karamatsu, Vice Chair; Felipe P. Abinsay Jr.; Corrinne W. L. Ching; Robert N. Herkes; Michael Y. Magaoay; Barbara C. Marumoto; Clift Tsuji; Glenn Wakai; and Kyle T. Yamashita.

HAWAII TOURISM AUTHORITY
1801 Kalakaua Avenue
Honolulu, Hawaii 96815
Phone 808-973-2255
Fax 808-973-2253
www.hawaii.gov/tourism

OUT & ABOUT

In an effort to keep Hawaii top-of-mind throughout the world, following is a calendar of major tradeshow/events featuring Hawaii:

January 4

Garber Travel Hawaii Promotional Kickoff with Classic Custom Vacations
Boston, MA

January 6

ACT (Association of Central Jersey Travel Agents) Dinner—Hawaii Night
Pt. Pleasant, NJ

January 7

AAA Hawaii Consumer Night
Garden City, NJ

January 21-25

NLG's Vacation Outlet 10th Annual Vacation Expo
Boston, MA

January 25

Happy Vacations—OSSN Hawaii Night
Old Bridge, NJ

January 27

AAA Hawaii Consumer Night
Easton, PA

CALENDAR OF EVENTS

MAUI

January 22

Hula Bowl Maui 2005

Maui hosts the Best of the Best collegiate all-star players in the 58th anniversary of this premier football game. Maui War Memorial Stadium, Wailuku. Kickoff at 2 p.m.
808-874-9500

NOTE: Please contact event organizers as events are subject to change. These events are supported by HTA through its Product Enrichment, Major Festivals and Sporting Events Programs. HTA supports activities that enhance the visitor experience, retain our residents' quality of life, generate awareness of the Hawaii brand through national and international media exposure, and attract visitors to Hawaii as participants and spectators.

Marketing Highlights

Hawaii Tourism Europe (HTE)



HTE's Picture Hawaii booth in Barcelona, Spain

EIBTM Barcelona

Hawaii Tourism Europe participated in the Exhibition for the Incentive, Business Travel and Meetings Industry (EIBTM), one of the world's most important meetings and incentive shows. Held in Barcelona, Spain, this year's EIBTM attracted a large number of buyers and exhibitors from around the world. Along with Ole Tours, HTE met with more than 50 meeting planners, incentive houses and corporate meeting departments.

Launch of www.hawaii-tourism.co.uk

Last month, HTE launched the Hawaii UK Web site, which offers information to consumers, travel trade and media. Consumers are able to search for holiday ideas, destination information and events, as well as UK tour operators by special interest. The trade interface will include a quarterly newsletter, access to the image library, downloadable brochures and the opportunity to advertise special offers. The media will have access to Hawaii facts and figures, images, recent press releases and story ideas.

Hawaii Tourism Oceania (HTO)

HTO Completes First Phase of Research

During September and October 2004, over 300 departing passengers from Australia to Hawaii traveling on Hawaiian Airlines were surveyed at Sydney Airport. The objective of the project was to obtain more information on travelers' demographics and their respective holiday intentions. With the surveys completed, Hawaii Tourism Oceania has accomplished the initial phase of its research project which is designed to embrace understanding about Australian visitors to Hawaii. As this is the first collection of information of this nature, it will serve as the foundation of strategic research upon which HTO's future marketing plans will be built.

Key findings of the report are listed below:

1. Travelers are aged predominantly between 24-35 years (25%) and 45-64 years (20%);
2. The passengers fall into two groups— half are first timers and half are 'serial' Hawaii visitors (3 or more visits);
3. More than 25% are going for a 'niche' purpose (e.g. honeymoon or sporting event);
4. One out of four visitors is traveling to at least one other island besides Oahu;
5. The overall length of stay is between 4-10 days; and
6. In addition to the destination's reputation, shopping and culture were factors that influenced the decision to travel to Hawaii.

Copies of the complete research project are available by emailing Helen Williams of HTO at hwilliams@hawaiiitourism.com.au.

Marketing Highlights

Hawaii Convention Center (HCC)

Since opening in 1998, HCC has evolved into a key asset for the State in terms of both economic and community benefits. Highlights for 2004 included the following:

- More than 162,515 conventioners were welcomed to the Center through 39 offshore conventions. These events are estimated to have generated \$300 million in visitor spending and 197,830 hotel room nights with \$25 million in tax revenue for the State. Of these events, conventions such as the American Society of Limnology and Oceanography 2004 Ocean Research Conference brought attendees from nearly 90 countries. Additionally, two organizations – the American Academy of Orthodontists and the American Psychological Association – decided to return to Hawaii and rebook the Center for their events in 2012 and 2013, respectively.
- Over 110,000 residents and vacationers enjoyed use of the Center for community events, including the Honolulu Festival, First Hawaiian International Auto Show and the Honolulu Marathon Living Aloha Expo.
- For the seventh consecutive year, HCC received the prestigious Prime Site Award from *Facilities and Destinations* magazine. The Awards are decided by meetings and conventions industry leaders directly involved with site selection: promoters, booking agents and events planners.

To kick off 2005, HCC will welcome an expected delegation of 3,500 for the Professional Convention Management Association's (PCMA) 49th Annual Meeting January 9-12:

- PCMA's members are comprised of the Center's most targeted clients;

- The event is expected to generate an estimated \$8.9 million in visitor spending and \$741,000 in projected tax revenue for the State;
- PCMA is the last of the world's four largest meeting industry associations to have a meeting in the building since it opened.

Hawaii Visitors and Convention Bureau (HVCB)

CMI Press Trip A Hit with Meetings Writers

HVCB, supported by its Island Chapters and industry partners, made a big impression with its CMI press trip that hosted writers from six national and regional meetings publications, November 29-December 5. The press trip, themed as "Ultimate Global Gathering Place," showcased Hawaii's diversity of attributes as the premier destination for corporate meetings and incentives. Journalists representing *Meetings & Conventions*, *Meetings News*, *Meetings West*, *Smart Meetings*, *The Meetings Professional*, and *Travel Agent* toured many of the state's top resorts and the Hawaii Convention Center. They also received a healthy dose of the culture, cuisine and activities that groups experience when holding meetings and incentives in the islands. The writers spent four days on Oahu before flying to a neighbor island for three more days of tours and activities.

Hawaii Tourism Asia (HTAsia)

Korean Golf Fam Highlights Oahu and Big Island

Hawaii Tourism Korea (HTK) successfully conducted a joint golf fam tour with Korean Air from October 31-November 5. The tour group consisted of three golf/luxury travel agents and three media, including a well-known golf columnist. Assisting with accommodations and golf were Hapuna Beach Prince Hotel and Mauna Kea Golf Course on the Big Island; and Turtle Bay Resort and Golf Course, Hilton Hawaiian Village and Hyatt Regency Waikiki on Oahu.

Hawaii Tourism Japan (HTJ)

HTJ Organizes Nature Fam Tour

A group of travel agents from the Kansai area participated in a fam tour from October 27-31. The theme of the fam was nature and the group was able to experience the natural wonders on the Big Island and Oahu. On Oahu, the group spent the day hiking at Senator Fong's Plantation and Gardens, followed by a visit to Turtle Bay Resort and Polynesian Cultural Center.



Hawaii Gov. Linda Lingle personally extended an "aloha" to PCMA when she and tourism officials met with staff in July

Message from HTA's President and CEO



Rex D. Johnson

Aloha and Happy New Year,

2004 has been a significant year of change and incredible achievements for the tourism industry. The year kicked off with a new direction in marketing for the state. Hawaii Tourism Japan, Hawaii Tourism Europe, Hawaii Tourism Asia and Hawaii Tourism Oceania opened for business and joined the Hawaii Visitors & Convention Bureau as Hawaii's global marketing team. With everyone's efforts and teamwork, 2004 has become a benchmark year for visitor numbers. According to the latest year-end projections, tourism in 2004 will surpass last year's performance in terms of visitor spending, visitor days and visitor arrivals.

In addition to promoting Hawaii as the world's best tourism destination, we continued to focus on preserving and supporting our tourism product through our Product Development program. This initiative has helped to strengthen tourism's partnership with different areas of the community. Efforts included supporting major festivals and community activities on each island, as well as working with groups such as the Nature Conservancy, Sierra Club, the Hawaii Ecotourism Association and the Department of Land and Natural Resources to develop plans and implement projects to improve our natural resources such as parks and trails that benefit our communities and visitors. These projects include the restoration of Old Volcano Trail on the Big Island, improvements to the Fern Grotto on Kauai and the revitalization of ancient Hawaiian fishponds on Maui.

The highlight for HTA's Sporting Events Program this year was the new agreement between the NFL and HTA that will ensure that the NFL Pro Bowl is held in Hawaii for another five years, 2005-2009. This sporting event along with the other tournaments supported by HTA will continue to be an enormous benefit to the State through media exposure and visitor spending.

Another important achievement in 2004 was the completion of the *Hawaii Tourism Strategic Plan: 2005-2015*. The plan was developed using input gathered from hundreds of people representing different communities, businesses, organizations and government agencies. The

plan will help guide the HTA in fulfilling its mission to strategically manage the growth of Hawaii's visitor industry in a manner consistent with our economic goal, cultural values, preservation of natural resources and community interests.

In 2004, HTA also held its first Hawaii Tourism Conference, which featured leading tourism experts from around the world who spoke about global trends and tourism issues. The two-day conference attracted more than 350 participants and was so well-received that plans for the 2005 event are already underway.

Lastly, the 2004 legislative session was a successful one for HTA. Through the passage of Act 58, SLH 2004, HTA was given more flexibility and resources to improve its operations. This included an \$8 million increase to fix cash flow problems and an additional \$2 million for maintenance of the Hawaii Convention Center in FY 2005.

2004 has become a benchmark year for visitor numbers.

These are just some of this year's successes that we wanted to highlight as we reflect back on 2004. These achievements would not have been possible without all of the partners who participate in HTA's marketing programs, product development initiatives and sporting events, as well as the community groups, industry sectors and government entities. We thank you for your efforts and look forward to continuing our partnerships with each and every one of you in 2005 to make Hawaii the best place to live, visit and work.

Mahalo,



Rex D. Johnson
President and Chief Executive Officer
Hawaii Tourism Authority

